



House of Representatives

General Assembly

File No. 109

February Session, 2016

Substitute House Bill No. 5287

House of Representatives, March 22, 2016

The Committee on Aging reported through REP. SERRA of the 33rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING MEDICAID ELIGIBILITY FOR HOME-CARE SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (h) of section 17b-342 of the 2016 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective July 1, 2016*):

4 (h) An individual who is otherwise eligible for services pursuant to
5 this section shall, as a condition of participation in the program, apply
6 for medical assistance benefits pursuant to section 17b-260 when
7 requested to do so by the department and shall accept such benefits if
8 determined eligible. The Commissioner of Social Services, in
9 accordance with 42 CFR 435.915, shall provide payments for Medicaid-
10 eligible services under the medical assistance program retroactive not
11 more than three months from the date an eligible individual applied
12 for such assistance, provided such applicant has not made a transfer of
13 assets for less than fair market value in the sixty months before
14 applying. If the applicant has made such a transfer, the commissioner,

15 in accordance with 42 USC 1396p(c)(1)(D)(ii), as amended from time to
16 time, shall begin any penalty period on the later of (1) the first day of
17 the month during or after the date of the transfer that resulted in the
18 penalty period, or (2) the date an otherwise eligible applicant applied
19 for medical assistance and would have been receiving such assistance
20 but for the imposition of a penalty period. For purposes of this
21 subsection, "penalty period" has the same meaning as provided in
22 section 17b-261q.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2016	17b-342(h)
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Statement of Legislative Commissioners:

In Section 1(h), "eligible person" was changed to "eligible individual" for internal consistency.

AGE *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Social Services, Dept.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill may result in a cost to the Department of Social Services (DSS) associated with making retroactive Medicaid payments for enrollees in the Connecticut Home Care Program for Elders (CHCPE), pending the imposition of a penalty period.

For purposes of an example, making retroactive payments for 60¹ individuals for the three months prior to their application would result in a state Medicaid cost of \$198,000.² This assumes an average monthly gross cost per enrollee of \$2,200. This also assumes the approval for such payments by the Centers for Medicare and Medicaid Services (CMS).

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of eligible individuals and their associated cost of care.

Sources: Department of Social Services Cost and Caseload Information

¹ Average monthly change in clients based on caseload data.

² In general, Medicaid is 50% funded by the state and 50% funded by the federal government.

OLR Bill Analysis**sHB 5287*****AN ACT CONCERNING MEDICAID ELIGIBILITY FOR HOME-CARE SERVICES.*****SUMMARY:**

This bill requires the Department of Social Services (DSS) commissioner to provide, in accordance with federal regulations, retroactive payments to participants in the Connecticut Home Care Program for Elders (CHCPE) for up to three months before the date of their application. In practice and under federal law, DSS already makes retroactive payments for certain other Medicaid-eligible services, including long-term care services.

The bill also requires the commissioner to enforce a penalty period before applicants receive assistance if they transferred assets for less than fair market value in the 60 months before applying. In accordance with federal law, the penalty period starts on the later of the (1) first of the month during or after the date of the penalized transfer or (2) date the applicant would have received services if not for the penalty.

In general, the penalty period (in months) is calculated by dividing the value of all assets transferred during the 60 months before application by the average monthly cost to a private patient of nursing facility services in the state or community.

EFFECTIVE DATE: July 1, 2016

BACKGROUND***Retroactive Medicaid Payments***

Under federal regulations, individuals are eligible for Medicaid up to three months before applying, provided they (1) received Medicaid-covered services and (2) would have been Medicaid eligible if they

applied (42 CFR § 435.915).

Connecticut Home Care Program for Elders

CHCPE is a Medicaid waiver and state-funded program that provides home- and community-based services for eligible individuals age 65 and older who are at risk of institutionalization. Services include care management, adult day care, homemaker services, transportation, meals-on-wheels, minor home modifications, and certain personal care and assisted living services.

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 13 Nay 0 (03/08/2016)